

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1663 - HB 1647

January 19, 2022

SUMMARY OF BILL: Deletes the requirement that 52 percent of the 5 percent commission retained by county registers for collecting recordation taxes be remitted to the state General Fund.

FISCAL IMPACT:

Decrease State Revenue – \$11,279,900/FY22-23 and Subsequent Years

Increase Local Revenue – \$11,279,900/FY22-23 and Subsequent Years

Assumptions:

- According to the Department of Revenue, the amount of commission remitted from local governments to the General Fund in FY20-21 was \$10,149,025.
- Recordation tax collections are estimated to increase 9.5 percent in FY21-22 and 1.5 percent in FY22-23, resulting in total remittance of \$11,279,880 ($\$10,149,025 \times 1.095 \times 1.015$) in FY22-23. For the purposes of this fiscal analysis, these collections are assumed to remain constant in subsequent years under current law.
- The total recurring decrease in state revenue in FY22-23 and subsequent years is estimated to be \$11,279,880.
- The total recurring increase in local revenue in FY22-23 and subsequent years is estimated to be \$11,279,880.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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